

Formula for the allocation of surplus capital from ULU Business Success:

The objective of the ULU Plan is to build and sustain a vibrant business model that in addition to providing needed goods and services and for creating jobs; would also generate surplus capital for group empowerment. The following is a breakdown of how surplus capital might be divided.

The ULU Formula (Surplus Allocation):

15% to ULU for Central Management/Coordination/Support

40% Reinvest/business expansion/growth at producing co-op business: At determined future point this changes to 10% w/other 30% to ULU for overall co-op growth/expansion.

30% EQ to Member/Owners (qualified Unit Owners)

10% as Bonus to worker/owners at producing co-op business

5% to Charity associated with producing co-op business

100% Total

Note:

7 to 1 salary range; from lowest to highest

Offer of Units as compensation when warranted

Calculations on monthly bases: distributions on some other schedule (quarterly/yearly)

*3 year EQ/Profit Sharing Qualifier

Mondragon:

10% for coordination

45% Reinvestment

45% return to Member/Owners (w/ 7% now and remainder at retirement)